

AN ORDINANCE

99005

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO PURCHASE AIRCRAFT HULL AND LIABILITY INSURANCE FOR THE CITY OF SAN ANTONIO FROM ACE USA GROUP THROUGH MCGRUFF, SEIBELS & WILLIAMS OF TEXAS, INC., THE CITY'S BROKER OF RECORD, FOR A ONE-YEAR PERIOD BEGINNING 12:01 A.M. ON MARCH 31, 2004 THROUGH 12:01 A.M. MARCH 31, 2005 AT AN ANNUAL PREMIUM NOT TO EXCEED \$202,394.00; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE UPON PASSAGE BY EIGHT VOTES.

WHEREAS, it is necessary to provide liability and property insurance coverage for helicopters operated by the San Antonio Police Department ("SAPD") to provide protection from liability exposure arising from the operation of the helicopters and insure against physical damage exposure; and

WHEREAS, SAPD currently operates three helicopters and is planning to purchase a fourth helicopter during this fiscal year to replace one that was destroyed; and

WHEREAS, McGriff, Seibels & Williams of Texas, Inc. ("McGriff"), the City of San Antonio's ("City") broker of record, evaluated the proposal received pursuant to a Request for Proposals soliciting aircraft hull and liability insurance; and

WHEREAS, the proposed policy provides property damage coverage and liability coverage from the operation of the helicopters for three City-owned helicopters operated by the San Antonio Police Department, with the option to add a fourth at a set premium during the coverage period, and additional coverages including cargo legal liability, coverage for spare parts, and extra expense coverage; and

WHEREAS, the policy has a single limit of \$10,000,00.00 per occurrence for bodily injury or property damage, a sublimit of \$5,000.00 per person, per seat in each aircraft for medical payments to passengers and crew members, and a sublimit of \$250,000.00 for the "FLIR" Equipment (Forward Looking Intra Red System); and

WHEREAS, for each loss occurrence, the deductible is \$500.00 if the rotors are not in motion, and 5% of the insured value if the rotors are in motion; and

WHEREAS, the annual premium for this policy is \$146,959.00 for three helicopters, and a proportionate share of the annual premium of \$55,435.00 for the fourth helicopter, if and when obtained, for a total maximum premium of \$202,394.00; and

WHEREAS, the City's Broker of Record, McGriff, Seibels & Williams of Texas, Inc., recommends placing the aircraft hull and liability insurance coverage with ACE USA Group; and

WHEREAS, it is necessary to authorize the purchase of the policy through the City's Broker of Record, for the period beginning 12:01 a.m. on March 31, 2004 through 12:01 a.m. March 31, 2005; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

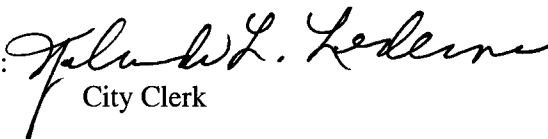

SECTION 1. The City Manager, or her designee, is hereby authorized to purchase aircraft hull and liability insurance with ACE USA Group through the City's broker of record, McGriff, Seibels & Williams of Texas, Inc., for a one-year period beginning March 31, 2004 and ending March 31, 2005 at an annual premium of \$146,959.00 for three helicopters, with an additional proportionate share of the annual \$55,435.00 premium for the fourth helicopter, if and when obtained, for a total maximum premium of \$202,394.00. The City Manager, or her designee, is hereby authorized to execute any documents necessary and incidental to the purchase of the insurance authorized herein.


SECTION 2. The amount of \$202,394.00 is authorized to be encumbered in Fund 75-001000, Insurance Reserve Fund, in Index Code 500546, entitled Insurance Premium-Excess Liability 100,000 and is to be made payable to McGriff, Seibels & Williams for aircraft hull and liability insurance coverage for the period beginning March 31, 2004 and ending March 31, 2005.

SECTION 3. The financial allocations in this ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific index codes and fund numbers as necessary to carry out the purpose of this Ordinance.

SECTION 4. Upon the affirmative vote of at least eight members of the City Council, this ordinance shall become effective immediately; otherwise, it will become effective on April 4, 2004.

PASSED AND APPROVED this 25th day of March, 2004.

ATTEST:  
City Clerk M A Y O R
EDWARD D. GARZA

APPROVED AS TO FORM: 
City Attorney